

AUGUST 2014 STIPULATIONS AND NOTICES

STIPULATIONS	
UT-S-263	<p>TIMING LIMITATION – CRUCIAL RAPTOR NESTING AREA</p> <p>In order to protect the crucial Raptor Nesting Area, exploration, drilling, and other development activity will not be allowed during the period from February 15 through June 30. This stipulation does not apply to maintenance and operation of producing wells.</p> <p>Exception: Exceptions to this stipulation in any year may be specifically authorized in writing by the authorized officer of the BLM if it can be shown that the activity would not impact any active raptor nests.</p> <p>Modification: None</p> <p>Waiver: None</p>

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UT-LN-02	<p style="text-align: center;">CRUCIAL WINTER MULE DEER AND ELK HABITAT</p> <p>The lessee/operator is given notice that lands in this lease have been identified as containing crucial mule deer and/or elk winter habitat. Exploration, drilling and other development activities would be restricted from December 1 through April 30 to protect crucial winter range. Modifications to the Surface Use Plan of Operations may be required in accordance with section 6 of the lease terms and 43CFR3101.1-2.</p>
UT-LN-36	<p style="text-align: center;">BALD EAGLE HABITAT</p> <p>The Lessee/Operator is given notice that the lands in this parcel contains nesting/winter roost habitat for the bald eagle. Avoidance or use restrictions may be placed on all or portions of the lease. Application of appropriate measures will depend on whether the action is temporary or permanent, and whether it occurs within or outside the bald eagle breeding or roosting season. A <u>temporary</u> action is completed prior to the following breeding or roosting season leaving no permanent structures and resulting in no permanent habitat loss. A <u>permanent</u> action continues for more than one breeding or roosting season and/or causes a loss of eagle habitat or displaces eagles through disturbances, i.e. creation of a permanent structure.</p>
UT-LN-37	<p style="text-align: center;">BALD EAGLE HABITAT</p> <p>The lessee/operator is given notice that lands in this lease have been identified as containing Bald Eagle Habitat. Modifications to the Surface Use Plan of Operations may be required in order to protect the Bald Eagle and/or habitat from surface disturbing activities in accordance with Section 6 of the lease terms, Endangered Species Act, and 43 CFR 3101.1-2.</p>
UT-LN-40	<p style="text-align: center;">GOLDEN EAGLE HABITAT</p> <p>The lessee/operator is given notice that lands in this lease have been identified as containing Golden Eagle Habitat. Modifications to the Surface Use Plan of Operations may be required in order to protect the Golden Eagle and/or habitat from surface disturbing activities in accordance with Section 6 of the lease terms, Endangered Species Act, and 43 CFR 3101.1-2.</p>
UT-LN-44	<p style="text-align: center;">RAPTORS</p> <p>Appropriate seasonal and spatial buffers shall be placed on all known raptor nests in accordance with Utah Field Office Guidelines for Raptor Protection from Human and Land use Disturbances (USFWS 2002) and Best Management Practices for Raptors and their Associated Habitats in Utah (BLM 2006). All construction related activities will not occur within these buffers if pre-construction monitoring indicates the nests are active, unless a site specific evaluation for active nests is completed prior to construction and if a BLM wildlife biologist, in consultation with USFWS and UDWR, recommends that activities may be permitted within the buffer. The BLM will coordinate with the USFWS and UDWR and have a recommendation within 3-5 days of notification. Any construction activities authorized within a protective (spatial and seasonal) buffer for raptors will require an on-site monitor. Any indication that activities are adversely affecting the raptor and/or its' young the on-site monitor will suspend activities and contact the BLM Authorized Officer immediately. Construction may occur within the buffers of inactive nests. Construction activities may commence once monitoring of the active nest site determines that fledglings have left the nest and are no longer dependent on the nest site. Modifications to the Surface Use Plan of Operations may be required in accordance with section 6 of the lease terms and 43CFR3101.1-2.</p>

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UT-LN-45	MIGRATORY BIRD The lessee/operator is given notice that surveys for nesting migratory birds may be required during migratory bird breeding season whenever surface disturbances and/or occupancy is proposed in association with fluid mineral exploration and development within priority habitats. Surveys should focus on identified priority bird species in Utah. Field surveys will be conducted as determined by the authorized officer of the Bureau of Land Management. Based on the result of the field survey, the authorized officer will determine appropriate buffers and timing limitations.
UT-LN-49	UTAH SENSITIVE SPECIES The lessee/operator is given notice that no surface use or otherwise disruptive activity would be allowed that would result in direct disturbance to populations or individual special status plant and animal species, including those listed on the BLM sensitive species list and the Utah sensitive species list. The lessee/operator is also given notice that lands in this parcel have been identified as containing potential habitat for species on the Utah Sensitive Species List. Modifications to the Surface Use Plan of Operations may be required in order to protect these resources from surface disturbing activities in accordance with Section 6 of the lease terms, Endangered Species Act, Migratory Bird Treaty Act and 43 CFR 3101.1-2.
UT-LN-52	NOXIOUS WEEDS The lessee/operator is given notice that lands in this lease have been identified as containing or is near areas containing noxious weeds. Best management practices to prevent or control noxious weeds may be required for operations on the lease.

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UT-LN-56	<p>DRINKING WATER SOURCE PROTECTION ZONE</p> <p>This lease (or a portion thereof) is within a public Drinking Water Source Protection zone. Before application for a permit to drill (APD) submittal or any proposed surface-disturbing activity, the lessee/operator must contact the public water system manager to determine any zoning ordinances, best management or pollution prevention measures, or physical controls that may be required within the protection zones. Drinking Water Source Protection plans are developed by the public water systems under the requirements of R309-600. Drinking Water Source Protection for Ground-Water Sources. (Utah Administrative Code). There may also be county ordinances in place to protect the source protection zones, as required by Section 19-4-113 of the Utah Code.</p> <p>Incorporated cities and towns may also protect their drinking water sources using Section 10-8-15 of the Utah Code. This part of the Code gives cities and towns the extraterritorial authority to enact ordinances to protect a source of drinking water ... "For 15 miles above the point from which it is taken and for a distance of 300 feet on each side of such stream..." Class I cities (greater than 100,000 population) are granted authority to protect their entire watersheds.</p> <p>Some public water sources qualify for monitoring waivers which reduce their monitoring requirements for pesticides and volatile organic chemicals (VOCs). Exploration, drilling, and production activities within Source Protection zone 3 could jeopardize these waivers, thus requiring increased monitoring. Contact the public water system to determine what effect your activities may have on their monitoring waivers. Please be aware of other State rules to protect surface and ground water: the Utah Division of Water Quality Rules R317 Water Quality Rules; and Rules of the Utah Division of Oil, Gas and Mining, Utah Oil and Gas Conservation Rules R649.</p> <p>At the time of development, drilling operators will additionally conform to the operational regulations in Onshore Oil & Gas Order No. 2 (which requires the protection and isolation of all usable quality waters, $\leq 10,000$ mg/L Total Dissolved Solids), Onshore Oil and Gas Order No. 7 (which prescribes measures required for the handling of produced water to insure the protection of surface and ground water sources) and the Surface Operating Standards and Guidelines for Oil and Gas Development, The Gold Book, Fourth Edition-Revised 2007 (which provides information and requirements for conducting environmentally responsible oil and gas operations).</p> <p>Additional mitigation measures may be necessary to prevent adverse impacts from oil and gas exploration and development activities. Mitigation measures may include submitting an erosion control plan with best management practices (BMPs) that address rigorous interim reclamation which might include surface roughening, vegetative buffer strips, etc.; and sediment control through the use of sediment logs, silt fences, erosion control blankets, outlet/inlet protection of water control features such as culverts or diversion ditches, sediment traps, run on/run off pad design features. If project activities are close to sensitive areas or water sources a semi or closed-loop drilling system should be required.</p>

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UT-LN-60	<p style="text-align: center;">STEEP SLOPES</p> <p>The lessee/operator is given notice that this lease has been identified as containing steep slopes. No surface use or otherwise disruptive activity allowed on slopes in excess of 30 percent without written permission from the Authorized Officer. Modifications to the Surface Use Plan of Operations may be required in accordance with section 6 of the lease terms and 43CFR3101.1-2.</p>
UT-LN-84	<p style="text-align: center;">UTAH TEST AND TRAINING RANGE MILITARY OPERATIONS AREA (MOA)</p> <p>All or portions of this parcel are located underneath Utah Test and Training Range (UTTR) Airspace. The airspace is comprised of Military Operations Areas and Restricted Airspace. Prior to approval of any operations on this lease you must contact the Headquarters Utah Test and Training Range (UTTR) Airspace Office, 6066 Cedar Lane, Suite 6B, Hill Air Force Base, UT 84056-5812 or (801-777-9384) for coordination concerning the following requirements:</p> <ol style="list-style-type: none"> 1. The MOA air space starts at 100 ft. above ground surface. No towers or rigs may be installed in excess of 99 ft. above ground level (AGL) without UTTR coordination. 2. Under Restricted Airspace no permanent construction above 99 feet AGL is allowed. 3. Lease sites may not be permanently occupied Monday through Thursday 7:00 AM to 11:59 PM and Friday 7:00 AM to 6:00 PM or the first Saturday of each month 8:00 AM to 5:00 PM. 4. There can be no limitations on current Chaff (released above 100 ft. AGL) and Flares (released above 2,000 ft. AGL). 5. No emissions or electronic counter measures (ECM) conflicts/limitations are allowed. A total frequency review will be required to ensure there is no conflict. 6. No noise limitations are allowed. 7. No limitations on live weapon over-flight will be permitted. 8. No permanent lights or polished reflective surface that would reflect light and increase any thermal temperature are allowed. 9. The U.S. Government will not be liable for wildfire, noise, or any other damage. <p>Modifications to the Surface Use Plan of Operations may be required in accordance with section 6 of the lease terms and 43CFR3101.1-2.</p>

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UT-LN-96	<p style="text-align: center;">AIR QUALITY MITIGATION MEASURES</p> <p>The lessee is given notice that the Bureau of Land Management (BLM) in coordination with the U.S. Environmental Protection Agency and the Utah Department of Air Quality, among others, has developed the following air quality mitigation measures that may be applied to any development proposed on this lease. Integration of and adherence to these measures may help minimize adverse local or regional air quality impacts from oil and gas development (including but not limited to construction, drilling, and production) on regional ozone formation.</p> <ul style="list-style-type: none"> • All internal combustion equipment would be kept in good working order. • Water or other approved dust suppressants would be used at construction sites and along roads, as determined appropriate by the Authorized Officer. • Open burning of garbage or refuse would not occur at well sites or other facilities. • Drill rigs would be equipped with Tier II or better diesel engines. • Vent emissions from stock tanks and natural gas TEG dehydrators would be controlled by routing the emissions to a flare or similar control device which would reduce emissions by 95% or greater. • Low bleed or no bleed pneumatics would be installed on separator dump valves and other controllers. • During completion, flaring would be limited as much as possible. Production equipment and gathering lines would be installed as soon as possible. • Well site telemetry would be utilized as feasible for production operations. • Stationary internal combustion engine would comply with the following standards: 2g NOx/bhp-hr for engines <300HP; and 1g NOx/bhp-hr for engines >300HP. <p>Additional site-specific measures may also be employed to avoid or minimize effects to local or regional air quality. These additional measures will be developed and implemented in coordination with the U.S. Environmental Protection Agency, the Utah Department of Air Quality, and other agencies with expertise or jurisdiction as appropriate based on the size of the project and magnitude of emissions.</p>
UT-LN-101	<p style="text-align: center;">AIR QUALITY</p> <p>All new and replacement internal combustion gas field engines of less than or equal to 300 design-rated horsepower must not emit more than 2 grams of NOx per horsepower-hour. This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower. AND All new and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 grams of NOx per horsepower-hour. Modifications to the Surface Use Plan of Operations may be required in accordance with section 6 of the lease terms and 43CFR3101.1-2.</p>
UT-LN-102	<p style="text-align: center;">AIR QUALITY ANALYSIS</p> <p>The lessee/operator is given notice that prior to project-specific approval, additional air quality analyses may be required to comply with the National Environmental Policy Act, Federal Land Policy Management Act, and/or other applicable laws and regulations. Analyses may include dispersion modeling for deposition and visibility impacts analysis, control equipment determinations, and/or emission inventory development. These analyses may result in the imposition of additional project-specific air quality control measures.</p>

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UT-LN-119	<p>UNEXPLODED ORDINANCE</p> <p>The lessee/operator is given notice that this lease has been identified as containing unexploded ordinance. The location and management of unexploded ordinance is the responsibility of Army Corp of Engineers. Safety considerations would remain a priority. Additional survey and coordination with Explosive Ordnance Demolition team at Hill Air Force Base would be required during exploration, drilling and other development activities. Modifications to the Surface Use Plan of Operations may be required in accordance with section 6 of the lease terms and 43CFR3101.1-2.</p>